



Registration for the press distribution list and further information at [www.sentix.co.uk](http://www.sentix.co.uk)



**Manfred Hübner**

CEFA, Managing Director

[manfred.huebner@sentix.de](mailto:manfred.huebner@sentix.de)



sentix GmbH

Wiesenhüttenstraße 17, 60329 Frankfurt am Main

Tel. +49 (69) 3487 961-0, [info@sentix.de](mailto:info@sentix.de)

## sentix Economic Index: The recession begins

- The sentix economic data for the Euro area deteriorate again. The overall index collapses by another 11 points to -18 points. This is the lowest value since July 2020. Since the situation is now also negative, the beginning of a recession must be assumed.
- Germany will also have to deal with a recession. The situation falls by 14.8 points to -4.8 points. This is as bad as it was last in March 2021. The expectations values also fall again to their worst level since January 2009!
- Internationally, the declines are smaller, but the trend is the same everywhere. Both the situation and expectations scores continue to fall. No region is currently able to resist the negative momentum. Even the important Asian region is already struggling with stagnation.

### Statistics

Poll from **31<sup>st</sup> April to 2<sup>nd</sup> April 2022**  
Survey participants: **1,249 investors**  
(**266** of those are institutional investors)

## Current economic regimes\* of countries /regions in focus:

Region / country	Regime	Region / country	Regime
Eurozone	Downturn	USA	Cooling down
Germany	Downturn	Japan	Downturn
Switzerland	Downturn	Asia ex-Japan	Stagnation
Austria	Downturn	Latin America	Downturn
Eastern Europe	Recession	Global Aggregate	Downturn

\* The regimes – ranging from recession to boom – are derived from the sentix Economic Indices according to the principle of the “economy clock” (see annotation on penultimate page). They reflect investors’ perceptions of different economies. These perceptions are the basis for investors’ behaviour, i.e. their asset allocation, and are thus relevant for financial markets. They are historically close to actual economic activities but need not necessarily be identical.

## Results for the Euro area economy: April 2022

Euro Area	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22	
Overall index	18.3	13.5	14.9	16.6	-7.0	-18.0	Lowest since 07.2020
Headline Index							
- Current situation	23.5	13.3	16.3	19.3	7.8	-5.5	Lowest since 04.2021
- Expectations	13.3	13.8	13.5	14.0	-20.8	-29.8	Lowest since 12.2011



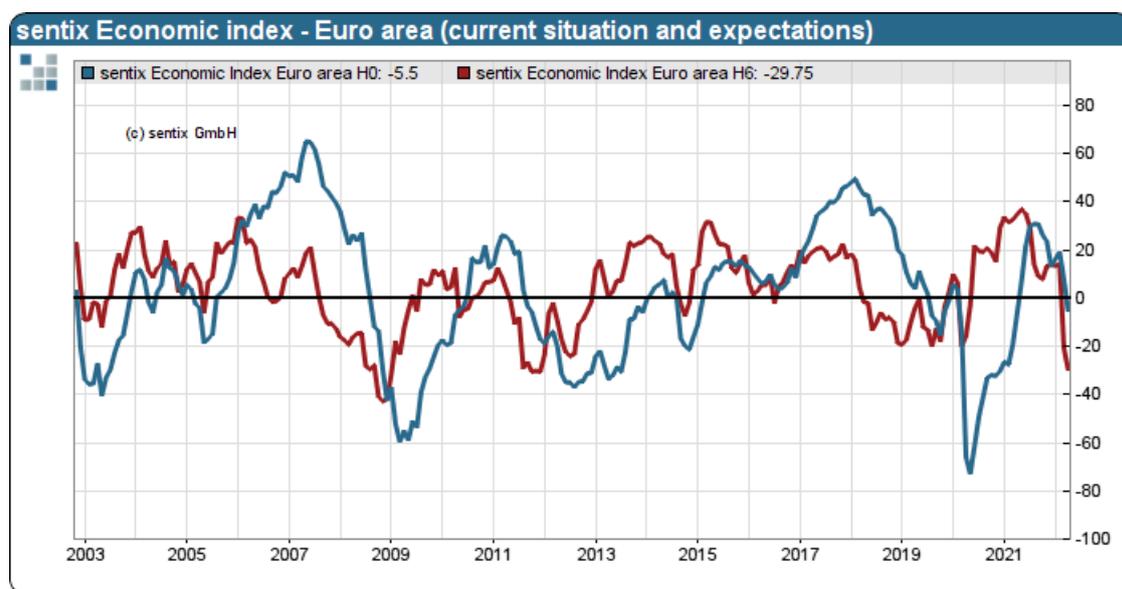
## Commentary on the survey results for April 2022

### The recession begins

When it comes to the question of when the recession began in the Eurozone, economists are likely to determine the beginning of the second quarter of 2022 as the start of a recession in retrospect. This is at least the conclusion we have to draw from the current data of the sentix business cycle indices. At the beginning of April, the sentix economic indices collapse. The overall index plunged again by a full 11 points after the weak March value. Both the situation and the expectations indexes are now negative, and the economy is thus beginning to shrink. At the moment, no other global region can provide a real counterbalance. Even the Asian region is already stagnating.

### Euro area: A second surprisingly sharp decline

If the March values were already a shock for investors, albeit an expected one due to the onset of the Ukraine conflict, the renewed sharp setback in the sentix economic indices for Euroland is likely to catch investors on the wrong foot again. Only very few economists expect the overall Eurozone index to slump by a further 11 points to -18. The consequences are not to be played down. For this decline is fed by a sharp drop in the assessment of the situation to -5.5 points (lowest value since March 2020). In addition, the expectations values are falling again. Economic expectations fell by a full 9 points to -29.8 index points. This is the lowest value since December 2011.



sentix Economic Index for the Eurozone: **current situation** and **expectations**

The Eurozone economy is thus being pushed into recession by the Ukraine conflict and the accompanying sanctions and uncertainties. Unfortunately, the sentix economic data are thus once again fulfilling their reputation as economic "first movers" in an unattractive way. For the capital markets, this is likely to have considerable consequences in the coming weeks.

Due to the still considerable dynamics in the inflation trend, investors do not expect the central bank to be able to come to the rescue with a looser, even more expansive monetary policy. The economy and the stock markets are thus left to their own devices. For many investors, this is a new experience with its own risks.



## Germany: Recession is coming

The German economy will also slide into recession. At the beginning of April, the overall economic index falls to -17.1 points, the lowest level since June 2020, and the situation index slumps by 14.8 points to -4.8 points. Expectations fall sharply again. At -28.8 points, we are recording the worst value since January 2009. This data does not yet take into account the fact that there will actually be a disruption in energy supplies. In addition to the Ukraine conflict, it is above all the accompanying inflationary circumstances and increasingly obvious imbalances in the logistics sectors that are unsettling consumers and companies.

Germany	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22	
<b>Overall index</b>	19.7	14.4	17.0	17.9	-5.2	-17.1	Lowest since 06.2020
<b>Headline Index</b>							
- Current situation	24.8	13.8	19.0	20.0	10.0	-4.8	Lowest since 03.2021
- Expectations	14.8	15.0	15.0	15.8	-19.3	-28.8	Lowest since 01.2009

## US: Feeding off the good economic situation

The US economy is also showing a downward momentum. Economic expectations fell for the fourth time in a row and stand at -10.8 points. Nevertheless, the US economy is in a better position, as the assessment of the current situation, although also declining, is still positive at 24.5 points. The US economy is thus "only" in a cyclical downturn, which is, however, increasingly gaining negative momentum.

United States	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22	
<b>Overall index</b>	25.3	24.2	23.3	22.1	11.9	6.1	Lowest since 11.2020 5. decline in a row
<b>Headline Index</b>							
- Current situation	37.3	34.3	34.0	35.0	29.8	24.5	Lowest since 03.2021
- Expectations	14.0	14.5	13.0	10.0	-4.5	-10.8	Lowest since 04.2020 4. decline in a row

## Global Aggregate: No region remains unscathed

None of the world regions considered by sentix in the context of the economic survey is currently able to hold its own against the weakening tendencies. Even the Asian region with the growth engine China is currently struggling with stagnation. In Eastern Europe, the indication for a deep recession remains, which is not really surprising given the severity of the sanctions against Russia.

Global	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22	
<b>Overall index</b>	17.2	15.1	16.9	17.0	1.0	-5.4	Lowest since 08.2020
<b>Headline Index</b>							
- Current situation	20.1	15.1	17.1	19.5	11.3	3.6	Lowest since 02.2021
- Expectations	14.3	15.1	16.7	14.6	-8.8	-14.1	Lowest since 03.2020 3. decline in a row



## Further result tables

Japan	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	17.1	14.6	17.5	16.0	4.9	-2.1	Lowest since 10.2020	3. decline in a row
<b>Headline Index</b>								
- Current situation	20.5	14.5	17.8	18.5	14.5	7.8	Lowest since 03.2021	
- Expectations	13.8	14.8	17.3	13.5	-4.3	-11.5	Lowest since 03.2020	3. decline in a row
<b>Asia ex Japan</b>	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	19.6	18.5	21.7	21.4	8.5	0.5	Lowest since 07.2020	3. decline in a row
<b>Headline Index</b>								
- Current situation	20.8	17.5	20.0	22.5	17.0	8.0	Lowest since 10.2020	
- Expectations	18.5	19.5	23.5	20.3	0.3	-6.8	Lowest since 03.2020	3. decline in a row
<b>Eastern Europe</b>	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	6.9	2.4	3.3	3.4	-37.4	-36.0		
<b>Headline Index</b>								
- Current situation	5.8	-2.5	-1.0	0.3	-31.0	-37.3	Lowest since 08.2020	
- Expectations	8.0	7.5	7.8	6.5	-43.5	-34.8		
<b>Latin America</b>	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	-4.6	-6.6	-5.1	-1.4	-9.0	-9.8	Lowest since 03.2021	
<b>Headline Index</b>								
- Current situation	-11.3	-17.3	-14.8	-8.5	-8.8	-8.0	Highest since 05.2019	
- Expectations	2.3	4.8	5.0	6.0	-9.3	-11.5	Lowest since 05.2020	
<b>Switzerland</b>	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	28.0	17.8	28.8	29.1	6.1	12.4		
<b>Headline Index</b>								
- Current situation	41.8	39.0	40.8	38.3	27.5	32.5		
- Expectations	15.0	-1.5	17.5	20.3	-13.3	-6.0		
<b>Austria</b>	Nov. 21	Dec. 21	Jan. 22	Feb. 22	Mar. 22	Apr. 22		
<b>Overall index</b>	30.2	13.3	21.9	19.9	-5.6	-11.5	Lowest since 06.2020	3. decline in a row
<b>Headline Index</b>								
- Current situation	50.5	19.5	30.0	29.3	16.0	4.8	Lowest since 04.2021	3. decline in a row
- Expectations	11.5	7.3	14.0	11.0	-25.0	-26.5	Alltime Low!	3. decline in a row



## Data availability

Bloomberg L.P.

FACTSET

REFINITIV™  




Macrobond



HAVER ANALYTICS®

sentix   
expertise in behavioral finance

## About sentix

sentix is the pioneer and leading provider of sentiment analyses (behavioural finance) in Europe. Since 2001 sentix surveys on a weekly basis around 5.000 investors from over 20 countries (comprising over 1.000 institutional and almost 4.000 individual investors) about their expectations for financial markets as well as for economic developments and their portfolio actions. The sentix survey results are representative of a broadly diversified group of investors.

sentix surveys offer the rare combination of a vast number of participants, high quality and an outstanding speed with which information is gathered and passed on. All sentix indices are regularly accessible for sentix data clients just about one day after the close of each poll – via the sentix website or Bloomberg. sentix clients thus can use sentix data almost in real time to further improve performance.

sentix GmbH was founded in 2001 and today represents the basis for all the services the sentix group offers to its clients in the field of Behavioural Finance.

## Background, methodology and more

Current reports and documentation: <https://www.sentix.de/index.php/en/sentix-Economic-News/>

Charts and tables: <https://www.sentix.de/index.php/en/sentix-Economic-Factsheets/economy-at-a-glance.html>



## Disclaimer

### **Important information concerning liability, compliance, protection of investors and copyright**

This information is meant only for distribution in countries in which law permits this.

This analysis is for information purposes only and (i) does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any financial, money market or investment instrument or any security, (ii) is neither intended as such an offer for sale or subscription of or solicitation of an offer to buy or subscribe for any financial, money market or investment instrument or any security nor (iii) as an advertisement thereof. The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. The investments discussed may fluctuate in price or value. Investors may get back less than they invested.

Changes in rates of exchange may hurt the value of investments. Furthermore, past performance is not necessarily indicative of future results. In particular, the risks associated with an investment in the financial, money market or investment instrument or security under discussion are not explained in their entirety.

We assume no liability for the information contained in this analysis. The analysis is no substitute for personal investment consultation. Even by the depicted opportunities and risks, investors must individually assess – by their personal investment strategies, the financial, legal and fiscal situation - whether an investment in the financial instruments depicted here is sensible for them. As this document is in no way a direct investment recommendation, this document or parts of it should not be used as the basis for any conclusion of the contract or any commitment to obligations of any kind. Investors are asked to contact the investment analysts of their banks for individual investment advice and other individual explanations and advice.

Neither the sentix GmbH nor any of its managing directors, employees or other persons assumes liability for losses or damages caused in connection with the use of this document or its contents.

The sentiment analysis is made available via the internet to those sentix participants of which is assumed that they do not base their investment decisions inappropriately by this analysis.

Statements or conclusions made through data or services do not include warrants or guarantees for the future market- or price changes. The opinions and assessments expressed therein can change without prior notice.

The sentix GmbH explicitly points out that both the sentix GmbH, its legal agents as well as their employees (in the following: the Involved) regularly conduct transactions in equity and other financial instruments which the data and services refer to. They do this both in their names and for their accounts as well as in the name and accounts of third parties. Should the Involved have been involved in an emission of instruments for the finance markets in the past 12 months, this is separately indicated at the corresponding place.

All rights of use for this analysis, its data and services are the property of the sentix GmbH and are copyrighted. The sentix GmbH reserves its right to inflict penalties for the unauthorised usage of data and services, especially unauthorised commercial use. Reproduction or subsequent processing of website elements, analyses, data or services in electronic, written or another form is prohibited without prior consent by the sentix GmbH. Analyses that are only available in the secure customer area may be quoted, neither in full nor in part. An exception to this are analyses, data or services which have been posted by the sentix GmbH via the press mailing list or which have been presented in another form for public propagation.

This analysis may not – either in full or in part, regardless of underlying intent – be forwarded, reproduced or published.

„sentix“ is a registered trademark of sentix Holding GmbH.

DAX, TecDAX, Xetra und Eurex have registered trademarks of the Deutsche Börse AG. Dow Jones EURO STOXX 50 is a registered trademark of the STOXX Limited. Other names of products and companies which may be mentioned on this site could also be protected or be registered trademarks of other companies.

### **ANALYST DECLARATION**

Neither in the past, present or future is the remuneration of the author linked – either directly or indirectly – to his or her recommendations or views expressed in this context.